

TESTIMONY
APPROPRIATIONS COMMITTEE
Thursday, February 16, 2017

H.B. No. 7027, AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH 2019, AND MAKING APPROPRIATIONS THEREFOR

Yale New Haven Health System (YNHHS)-- Connecticut's 2nd largest employer with over 24,000 employees and more than 7000 medical staff appreciates the opportunity to offer testimony concerning **H.B. No. 7027, AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE THIRTIETH 2019, AND MAKING APPROPRIATIONS THEREFOR**, to implement the Governor's budget recommendations.

Yale New Haven Health System, through Bridgeport, Greenwich, Lawrence & Memorial, Yale New Haven and Westerly Hospitals, and their affiliated organizations, including the North East Medical Group, strives to provide access to integrated, high-quality, patient-centered care in collaboration with others who share our values. We offer our patients a range of healthcare services, from primary care to the most complex care available anywhere in the world. Inside Yale New Haven Children's Hospital, we care for more children than any other provider in the state. 55% of our kids are insured by Medicaid. We care for our State's most vulnerable population, by providing psychiatric care to children, young adults, adults and the elderly who come to us from every corner of Connecticut. The majority of these patients are insured by Medicaid.

The 4 YNHHS Connecticut hospital affiliates care for more than one third of the State's Medicaid enrollees. Every day, our staff cares for individuals and families who lack access to medical, dental and mental health care. Our emergency departments are filled with individuals who do not have anywhere else to go for medical or mental health care. Many of these patients are covered by Medicaid and, while the benefit package is superior, access remains limited. Medicaid now reimburses us less than 40 cents per dollar of cost. Further, during these cold winter months, those in need of shelter come to us, not for medical care, but for shelter.

The budget before you seeks to change Medicaid eligibility. This is a concern because we know that those who are uninsured avoid seeking health care services until the issue becomes emergent. This is expensive care which is provided with no reimbursement. YNHHS hospitals provide medical care to 35 percent of the State's Medicaid enrollees.

With so much attention in this building about the need to reduce health care costs, we struggle to reconcile that discussion with the budget that was presented to you. Inside the proposed budget,

- CT hospitals will continue to pay \$556 million in taxes to the State this year;
 - **YNHHS hospitals will pay over \$200 million.**
- A new local property tax on hospitals was proposed;
 - **Yale New Haven Hospital, the state's largest Medicaid provider, will LOSE an additional \$7.5 million, if we receive payments contained in the new supplemental payment pools.**
- Medicaid eligibility change will increase the number of uninsured.

While we remain committed to working hard to reduce our costs, and invest in our staff, technology and services, this budget proposal makes it harder. Our patients and staff are relying on you. We urge you to vote to modify this budget and reject the proposal that seeks to levy an additional tax on hospitals.

Together with our patients and employees, we thank you for your consideration and support.